

ETHANOL COALITION OF MICHIGAN

Winter 2007 Newsletter

The Ethanol Coalition of Michigan (ECOM) unites commodity organizations, fuel suppliers, educators, producers, businesses, government agencies and individuals who are interested in expanding the production and use of ethanol in Michigan.

E85-Capable Vehicles New Stars of Show

Justin Hyde, Free Press Washington Staff, January 11, 2007

For the first time, several automakers unveiled concept and production models capable of burning E85, the blend of 85% ethanol and 15% gasoline backed by Detroit automakers as the most viable option for reducing U.S. oil imports. Even Toyota Motor Corp. jumped on the bandwagon, announcing its new Tundra pickup would offer an E85 version in the 2009 model year.

The new interest in ethanol came the same week as U.S. ethanol backers launched a lobbying push in Washington for more government support. While



The Chevrolet Volt concept sedan, powered by the E-flex System premiered at the 2007 NAIAS.

Detroit automakers already have committed to building 2 million flex-fuel vehicles a year by 2010, a group of 37 state governors, including Gov. Jennifer Granholm, proposed Wednesday that the government require 70% of new vehicles to be E85-capable in 10 years.

The growing ethanol juggernaut has been fueled by a variety of sources, from conservatives concerned about energy security and farm-state lawmakers seeking additional revenues to environmentalists pushing to cut carbon emissions and fight global warming. President George W. Bush has been an ardent supporter of ethanol, and likely will address the issue again in his State of the Union speech this month.

"If people are serious about reducing imported oil, this is the best thing you can do fast," General Motors Corp. Chairman Rick Wagoner told journalists at the auto show preview. "There's no question it's a good thing to do. Can't see why anyone would be against it."

Service Stations to Receive Incentives for Bio-based Fuels

January 25, 2007 — Governor Jennifer M. Granholm and Michigan Department of Labor & Economic Growth Director Robert W. Swanson announced today that three service stations will receive \$28,000 in incentives to install refueling equipment to provide ethanol (E85) or biodiesel (B20) fuel. These incentives are part of a larger effort underway to increase the availability of bio-based renewable transportation fuels across Michigan.

"Growing our alternative energy sector and encouraging the use of ethanol and biodiesel is a key part of our plan to diversify Michigan's economy," Granholm said. "These stations will ensure alternative fuels are available to Michigan businesses and citizens and get us one step closer to achieving our goal of having 1,000 biofuel pumps across the state by 2008. 1,000 biofuel pumps give the state 1,000 more opportunities to grow our alternative energy economy and reduce our dependence on foreign oil!"

[See full press release](#)

Ethanol Plant to Benefit Region

Jeremy W. Steele, Lansing State Journal, January 10, 2007

A Washington state company announced its plans to build a \$150 million ethanol plant in the middle of Shiawassee County.

The plant - to be built on 130 acres of undeveloped industrial land in Corunna, about 45 miles northeast of Lansing - would employ 48 when it's slated to open in the second half of 2008, officials said. About 150 workers would be needed to build the plant.

"It's a big injection into the local economy," said Justin Horvath, program manager of the Shiawassee Economic Development Partnership.

The economic development group pitched several Shiawassee County sites to Kingston, Wash.-based E85 Inc., Horvath said. The company plans to build 10 U.S. plants in the next two years.



Aerial view of the Michigan Ethanol production plant in Caro, MI; the State's first ethanol production facility.

Annual payroll at the Corunna plant would be about \$2 million, Horvath said, putting workers' average pay at about \$40,000 a year.

The plant, the eleventh ethanol facility under construction or being planned in Michigan, would produce 100 million gallons of ethanol a year. That's enough to fill more than 20 13,000-gallon tanker trucks a day and more than twice the capacity of the 45 million-gallon plant in Woodbury that began production in September 2006.

Officials estimate the Corunna plant will use 40 million bushels of corn a year.

Shiawassee County produced about 7.3 million bushels of corn in 2005, the most current year available from the U.S. Department of Agriculture.

Current Events and Opportunities

Michigan Biomass Energy Program 2007 Request for Proposals

The Michigan Biomass Energy Program (MBEP) is now seeking proposals for state projects that expand markets for energy and fuel derived from Michigan biomass resources. Biomass is defined as any organic matter that is available on a renewable basis through natural processes or as a by-product of human activity such as agricultural crops and crop residues, wood and wood waste, and municipal solid waste. MBEP plans to award grants of up to \$24,950 per project with a 1:1 match requirement. Proposals are due to the Energy Office by 5:00 PM on Friday, March 9, 2007. Please see [Official Announcement](#).

Funding Still Available for Biofuels Infrastructure Incentives!!

Up to \$12,000 per site

Hurry! Visit [Program Website](#) for more information

E85 Fleet Workshop

To further increase the use of alternative fuels in Mid-Michigan, Lansing Area Clean Cities has announced an E85 Fleet Workshop in partnership with the National Renewable Energy Laboratory and the American Lung Association of the Upper Midwest. The workshop will take place:

March 20, 8:30am to 1:00pm
Shaheen Chevrolet
Lansing, MI

Workshop topics include: An Introduction to E85 and Flexible Fuel Vehicles, E85 in Michigan, Fleet Initiatives, and Building Alt. Fuel Infrastructure. An optional bus tour of E85 infrastructure and production will follow the workshop. To RSVP contact Kelly at kelly.marczak@alamn.org

State of the Union: The Advanced Energy Initiative

In his State of the Union Address, President Bush outlined the advanced energy initiative to help break America's dependence on foreign sources of energy. The President has set a national goal of replacing more than 75% of our oil imports from the Middle East by 2025. He plans to meet part of this goal by facilitating the growth of renewable and alternative fuel sources. Under the President's proposal, the fuel standard will be set at 35 billion gallons of renewable and alternative fuels in 2017. This creates a heavy incentive for research, development, and private investment into alternatives to oil. Also included in this plan is protection against unforeseen increases in the prices of alternative fuels or their feedstocks. Full [State of the Union Address](#).

Michigan Agri-Energy Conference 2007

Renewable energy sources such as biomass, wind, and solar are generating a great deal of interest. Michigan's Agri-Energy Conference 2007 will highlight renewable energy while identifying market barriers, the economics of renewable energy, and examining case studies and success stories. Kicking off this year's event is a keynote address from the U.S. DOE followed by

breakout sessions hosted by technical experts in the fields of renewable energy, energy efficiency, and environmental regulations. An exhibit area will feature the latest products and services in the renewable energy arena, as well as informational booths on current research and development from various universities and institutes. See [Conference Brochure](#).

Michigan Ethanol Plants

Company	Location	Size	Status
Michigan Ethanol	Caro	63 mmgy allowed	Online
The Andersons Albion Ethanol, LLC	Albion	58 mmgy allowed	Online
US Bio Woodbury	Lake Odessa	53 mmgy allowed	Online
Great Lakes Ethanol, LLC	Riga Township	40-50 mmgy proposed	Under Construction
Marysville Ethanol, LLC	Marysville	55 mmgy allowed	Under Construction
NextGen Energy LLC	Watervliet	58 mmgy proposed	Planning / Permitting
Liberty Renewable Fuels LLC	Ithaca	121 mmgy proposed	Planning / Permitting
North Star Ethanol LLC	Manistee	50 mmgy proposed	Proposed
M & M Energy	Alma	50 mmgy proposed	Proposed
NextGen Energy LLC	McBain	50 mmgy proposed	Proposed
E85 Inc.	Corunna	100 mmgy proposed	Proposed

*mmgy = million gallons per year

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Serving Michigan...Serving You